

CHAPTER 2

SUPPLY ORGANIZATION

This chapter provides basic information about the ashore supply system and the shipboard supply department. You will learn how they are organized and what functions they perform. As a Storekeeper, you may be assigned in any of the following functional areas: accounting, correspondence and reports, stock control, ordering, receiving, storage, or the supply support center. In later chapters these various functions, and the duties associated with them, are discussed separately and in detail. Our primary interest is in seeing how the various functions that are performed at different command levels merge so that the supply system can accomplish its missions. It is important that you understand this interrelationship if you are to do your job successfully.

THE NAVY SUPPLY SYSTEM

The Navy Supply System is a part of the larger Federal Supply System that manages millions of different items. Knowing the functions of the various Navy Supply System organizations will help you understand how your job relates in managing these items. Also, you learn how your job links to other commands, bureaus, or offices in the Federal Supply System. As the Navy Supply System evolved, the organization for supply management has similarly evolved. The organization has developed to respond to the many changing working requirements. The management part of the Navy Supply System organization consist of the Assistant Secretary of the Navy and the Chief of Naval Operations.

The office of the Assistant Secretary of the Navy (RESEARCH, DEVELOPMENT AND ACQUISITION) is responsible for supervising the Navy-wide policy in production, procurement, supply and disposal of material.

The Chief of Naval Operations (CNO) is responsible for planning and determining the material support needs of the Navy's operating forces. This includes equipment, weapons or weapons systems, material, supplies, facilities maintenance, and support services.

The CNO commands all activities known as the Systems Commands. The systems commands are:

- Naval Air System Command (NAVAIR)
- Space and Naval Warfare Systems Command (SPAWAR)
- Naval Facilities Engineering Command (NAWAC)
- Naval Sea System Command (NAVSEA)
- Naval Supply System Command (NAVSUP)

NAVAL SUPPLY SYSTEMS COMMAND

The Naval Supply Systems Command (NAVSUP) is responsible for providing supply management policies and technical guidance for Navy material to activities of the Navy and Marine Corps. Guidance includes provisioning, cataloging, inventory management, distribution, materials-handling, traffic management, transportation, packaging, preservation, receipt, storage, issue, and disposal functions. Except for those items specifically assigned to other systems commands or offices. NAVSUP administers and manages the Defense Business Operating Funds (DBOF), the Navy Resale Program, and the Navy Food Service Program. They also maintain official property records for material in store. NAVSUP exercises management control of field purchasing offices, inventory control points, supply centers, and other offices concerned with supply support. For a complete listing of NAVSUP's responsibilities, and those specifically assigned to other commands, refer to *Afloat Supply Procedures*, NAVSUP P-485, chapter 1.

The Navy's supply manager is the Commander, Naval Supply Systems Command. He makes sure the Navy Supply System operates as a single entity.

INVENTORY MANAGERS

Navy inventory managers have primary responsibility for the managing assigned groups or categories of items of supply. The primary function of a Navy inventory manager is to provide effective and efficient support to the fleet and shore (field) activities of the Navy. Navy inventory managers include systems commands, project managers, bureaus, offices

(including Military Sealift Command), and inventory control points (ICPs) under the command of NAVSUP.

Inventory managers, under the command of NAVSUP, exercise primary inventory control responsibility for the various items of supply used by the Navy. Inventory control responsibility actions include:

- determining material and money requirements
- initiating procurement and disposal material
- the positioning and repositioning of material

Navy inventory managers participate directly in the various Department of Defense and Defense Logistics Agency interservicing and cataloging programs.

All materials used by the Navy are considered as items of supply and will be managed by an ICP. Excluded are those items assigned to a single agency or military service inventory manager for supporting retail stock or end-use requirements of the military services.

Navy inventory managers other than the ICPs include systems commands, project managers or offices of the Navy Department. A systems command, project manager or office is assigned responsibility for a basic Navy program that requires the development, use, and management of material. Their interest in material is only in their programs and is as broad as the program itself.

FLEET AND INDUSTRIAL SUPPLY CENTERS

Fleet and Industrial Supply Centers (FISCs) provide a variety of logistics support services to fleet and shore activities as well as overseas bases. FISCs are echelon 3 commands and report to the Commander, Naval Supply System Command. In managing consumer end-use material, FISCs are responsible for determining inventory levels, procuring, receiving, storing, issuing, shipping, or delivering material to the customer. Three overseas FISCs also manage and store an intermediate level of inventory and Navy wholesale inventory for Navy Inventory Control Points (ICPs) that directly supports the fleet. Fleet units send requisitions to the FISCs that will either issue the material or refer the requisition to the cognizant ICP. If the stock point makes an issue from wholesale stock, the FISC will report this transaction to the ICP that manages the material. The ICPs will use this transaction item report (TIR) to determine future procurement and positioning of replenishment stock. FISCs also operate

SERVMARTs that function as a retail outlets. Fleet customers can use the SERVMARTs on a walk-in basis and buy material with a money value only document. SERVMART stock is usually limited to only high usage consumable items.

The following activities are representative stock points:

- FISC, Charleston
- FISC, Guam
- FISC, Jacksonville
- FISC, Norfolk
- FISC, Oakland
- FISC, Pearl Harbor
- FISC, Pensacola
- FISC, Puget Sound
- FISC, San Diego
- FISC, Yokosuka

FLEET COMMANDS

The commander in chief of a fleet is responsible for establishing general logistic policies, plans, and orders for the support of fleet and shore activities in his area. He establishes standards of logistics and logistic readiness. He disseminates information to subordinate commanders that is relative to operational logistic plans or projects and coordinates logistic activities of subordinate commanders. He is also responsible for conducting the supply operations assistance program (SOAP). The fleet commanders in chief are assisted in their logistic responsibilities by the fleet supply officer, a professional in supply and transportation matters.

The fleet supply officers are the principal logistic agents for the fleet commanders. They assist the operational and type commanders in developing logistic doctrine and procedures.

TYPE COMMANDERS

Ships of a fleet are grouped by ship types and are assigned to type commanders (TYCOMS) for purposes of administration. Their supply corps officers advise them of supply requirements, and requirements in Navy Department and fleet supply directives. They make recommendations to the type commanders on matters regarding supply policies, procedures, and conditions

of readiness affecting ships of the type command. These supply officers supervise the replenishment of supplies from mobile supply units under the operational control of the type commander. They also review and take action on requisitions submitted by fleet units that require approval of higher authority. They also conduct inspections of supply functions throughout the command as required or needed.

AFLOAT SUPPLY ORGANIZATION

The head of the supply department is the supply Officer. The supply officer is either a Supply Corps officer assigned to that duty or a line officer designated as such by the commanding officer. The supply officer is responsible to the commanding officer for the proper performance and administration of all supply department functions. (See OPNAVINST 3120.32, *Standard Organization and Regulations of the U.S. Navy*, par. 328.) Although responsibility and accountability for certain supply department functions may be assigned to subordinates in accordance with chapter 1 of the NAVSUP P-485, such assignments do not relieve the supply officers of their responsibility to their commanding officers for the proper performance of the functions so assigned.

SUPPLY DEPARTMENT FUNCTIONS

Afloat supply functions are categorized into material support and service functions. Material support functions relate to operational and maintenance requirements, while service functions entail operating service facilities.

MATERIAL SUPPORT FUNCTIONS

Material supply functions include procurement, receipt, stowage, issue, and accounting for the following types and quantities of material necessary for the operation of the ship:

- consumable;
- equipage;
- repair parts;
- inert nuclear weapons material and associated test and handling equipment, tools, and consumable;
- fuel (preparation of procurement documents only);

- ship's store and retail clothing stock (when facilities are provided);
- food items;
- medical and dental supplies, in special accounting class 207 ships. (Procurement only, in end-use ships.)

Material not included—The following types of material are not included under afloat supply department functions:

- Ammunition, ammunition containers, and ammunition details will be the responsibility of the ship's weapons officer.
- War reserve stockpile nuclear weapons and major assemblies obtained through operational channels will be the responsibility of the ship's weapons officer.
- Navigational or intelligence charts, maps, and related publications will be the responsibility of the ship's navigator.
- Marine Corps material is the responsibility of the officer in charge of the detachment.

SERVICE FUNCTIONS

Service functions include the operation of the following facilities:

- The enlisted dining facility, including the preparation and service of food.
- The ship's store and related activities where facilities are provided aboard, may include:
 - retail clothing store
 - soda fountain
 - vending machines
 - laundry
 - drycleaning plant
 - barbershop
 - tailorshop
 - photographic shop
- Disbursing government funds (when a Supply Corps officer has been specifically ordered to this duty).
 - (a) Wardroom mess
 - (b) EAM/ADP

The supply department could well be called the service department. Most supply functions are accomplished by finishing materials for the ship and services to members of the crew. These services should always be provided promptly and courteously.

SUPPLY DEPARTMENT ORGANIZATION

Organization is the orderly arrangement of personnel by functions. Sound supply department organization is necessary to carry out the objectives of the department and will vary in accordance with the mission, physical characteristics, and complement of the unit. The Department assigns responsibilities and authority to individuals within the organization. The department head prepares a Supply Department Organization Manual that should contain a description of the functions of each component of the department and assign areas of responsibility and authority as prescribed by the type commander. It should also include tasks of key personnel.

Organizational charts for the department include identification of essential functions and a clearly defined channel of responsibility and authority. Typical organization charts for large and small ships are illustrated in figures 2-1 and 2-2. As a guide in identifying supply functions to organizational components, the typical large ship is outlined below:

- General Stores (S-1 Division):

General—The general stores component procures, receives, stores, expends, and accounts for consumable, equipment, repair parts, and other material. Maintains required records. It also prepares correspondence, reports, and returns; and performs required obligation recording.

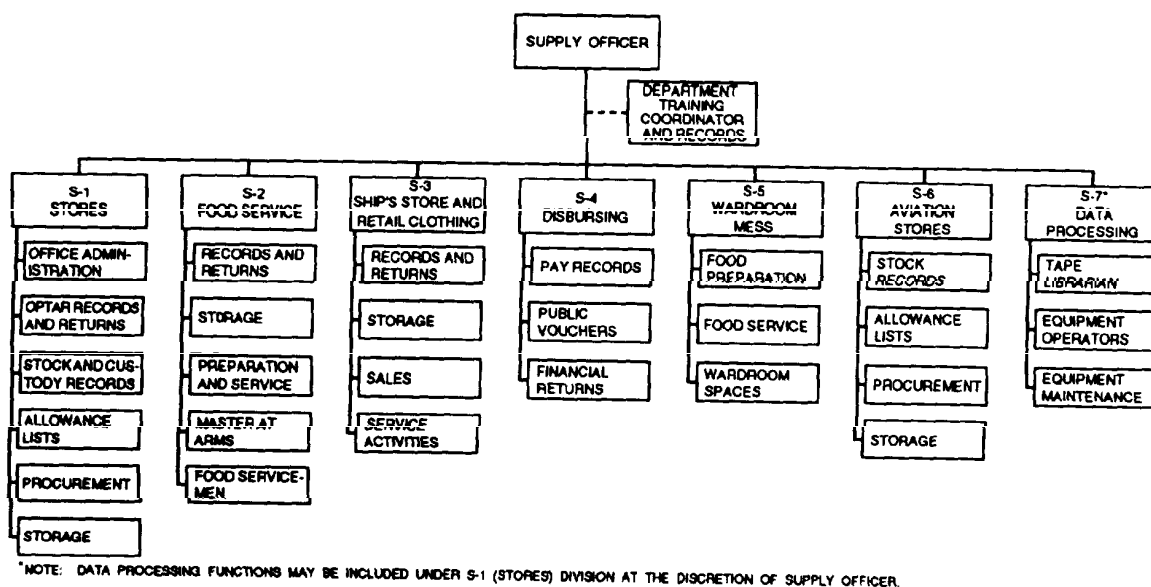
Stock Control—Stock control functions include determining requirements, preparing requisitions, processing receipt and expenditure documents, and maintaining related files and records. It also performs financial accounting for material, maintains related files and records; maintains material catalogs, allowance lists, and technical publications, and prepares related correspondence, reports, and returns.

Storage—Storage functions include the receipt, storage, inventory, and issue of material; the maintenance of related files, as required; and the cleanliness and upkeep of assigned storage spaces.

- Foodservice (S-2 Division):

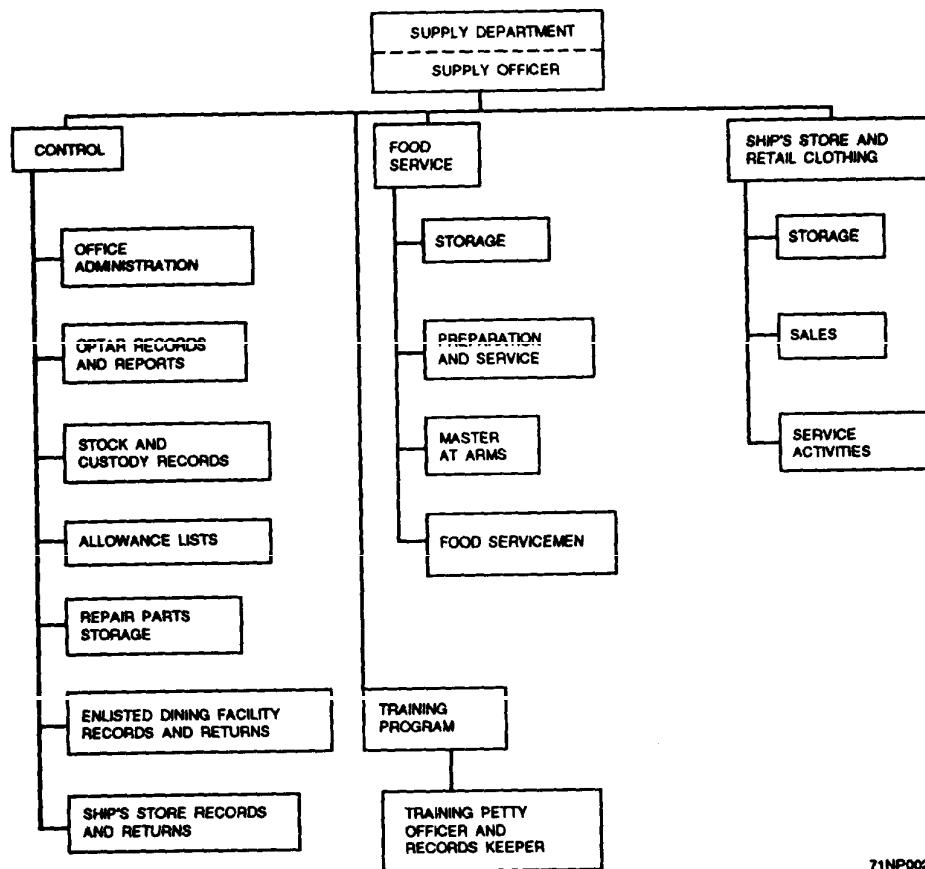
General—The foodservice component operates all phases of the enlisted dining facility and makes authorized issues, sales, and transfers of food items.

Records and Returns—Records and returns functions include determining of requirements, preparing requisitions, processing receipt and



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Figure 2-1.-Organization of a supply department of a large fleet unit.



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Figure 2-2.-Organization of a supply department of a small fleet unit (without Supply Corps officers).

expenditure documents, conducting inventories, and maintaining related files and records. It also accounts for food items, and prepares related correspondence, reports, and returns.

Food Storage—Food storage functions include the receipt, storage, and issue of all food stocks, the maintenance of related records, and the cleanliness and upkeep of assigned spaces.

Food Preparation and Service—Food preparation and service functions include the preparation and service of food in the enlisted dining facility, operation of food preparation equipment, and cleanliness and upkeep of assigned spaces.

- **Ship's Store and Retail Clothing (S-3 Division):**

General—The ship's store and retail clothing component procures receives, stores, issues, and sells ship's store and clothing items; operates resale and service activities maintains

related records; and prepares reports, returns, and correspondence.

Records and Returns—Records and returns functions include determining requirements for retail items and operating supplies; preparing requisitions and purchase documents, processing receipt and expenditure documents, conducting inventories, and maintaining related files and records; accounting for operating supplies and retail items; and preparing related correspondence, reports, and returns.

Storage—Storage functions include the receipt, storage, and issue of retail items and operating supplies; the maintenance of related records; and the cleanliness and upkeep of assigned storage spaces.

Sales—Sales functions include the operation of the retail sales outlets such as the ship's store, clothing store, soda fountain, and vending

machines; maintaining related records; and the cleanliness and upkeep of assigned spaces.

Service Activities—Service activities functions include the operation of the ship's store service activities such as laundry, barber, tailor, and drycleaning shops; maintaining related records; and the cleanliness and upkeep of assigned storage spaces.

- **Disbursing (S-4 Division):**

General—The disbursing component collects and disburses all public funds aboard ship and performs all afloat pay and allowance functions.

Pay Records—Pay record functions include the maintenance of military pay records and preparing money lists.

Public Vouchers—Public voucher functions include the preparation and verification of public vouchers as required.

Financial Returns—Financial returns functions include payments and collections of all public funds and preparation of reports and financial returns.

- **Wardroom Mess (S-5 Division):**

General—The wardroom mess component procures, receives, stores, issues, and accounts for foodservice and other stores.

Records—The records section maintains records on all stores belonging to the wardroom mess.

FoodService—The function of foodservice is to prepare and serve food.

Operating Space—The wardroom mess is responsible for cleaning and maintaining spaces assigned to the wardroom.

- **Aviation Stores (S-6 Division):**

General—When an aviation stores division is established, it performs all functions related to procurement, receipt, storage, and issue of aviation material.

Records and Reports—Records and reports include accounting for all aviation material.

- **Data Processing (S-7 Division):**

General—Functions include the operation of data processing equipment, maintaining files

and records, and preparing and processing documents to procure records and reports as provided for in the automated supply accounting system.

- **Training:**

General—The training component maintains and administers a formal training program, which supplements on-the-job training, to ensure a high state of readiness and to maintain continuity when personnel changes occur.

Records—The records function is the maintenance of all records incident to the formal training program which includes Curriculums by rating, lesson plans, schedules, individual training records, personnel advancement requirement forms, division officers' notebooks, and military training.

SHIPS WITHOUT SUPPLY CORPS OFFICERS

Study the organization of the supply department of a small fleet unit in figure 2-2.

The designated supply officer of a ship is responsible to the commanding officer for the proper performance of the following functions:

1. Economical and efficient operation of the supply department.
2. Procurement, receipt, stowage (when applicable), issuing, and accounting for equipment, repair parts, repairable, and consumable required to support the ship.
3. Return of unserviceable repairable to the designated repair facility.
4. Operation and upkeep of equipment assigned to the supply department and the cleanliness and upkeep of assigned supply department spaces.
5. Training and supervision of personnel assigned to the supply department.
6. Certification for payment of lawful bills; when designated as imprest fund cashier, the supply officer will also be responsible for the disbursement of government funds and proper accounting thereof.
7. Operation and supervision of the enlisted dining facility, including the procurement, preparation, and service of food.

8. operation and supervision of the ship's store except when the ship's store officer is designated in writing, to be other than the supply officer.
9. Performance of such other collateral duties as are assigned by the commanding officer.

Your duties as a Storekeeper will be much the same regardless of the type of ship in which you serve. The procedures set forth in this book apply to both ships with Supply Corps officers and ships without Supply Corps officers, unless an exception is noted. In these instances, both procedures will be given.

FLEET SUPPORT

The Operating Forces of the Navy are charged with supporting United States national policy under a wide range of conditions from peacetime operations through limited and unlimited armed conflict. For this reason, the Navy Supply System is designed with sufficient flexibility to function in support of the Operating Forces under the conditions existing at any given time. Ships are loaded with sufficient supplies to assure a prescribed period of self-sufficiency and to permit maximum retaliation when necessary. Shore bases and mobile support techniques are used to supply the Operating Forces as circumstances require.

DEPLOYED FLEET SUPPORT

Primary reliance for support of deployed fleets is placed on afloat capabilities which consist of self-support by individual ships and support provided by the Combat Logistics Forces (CLF). Overseas bases and bases in the United States except Alaska and Hawaii are used for supplemental fleet support when supply support is beyond the capability of the CLF. Supplemental fleet support responsibilities are stated in the approved missions of the applicable bases.

FLEET SUPPORT IN UNITED STATES WATERS

Fleet units in United States territorial waters are supported by the permanent naval shore establishments, including naval supply centers and depots, naval shipyards, and other activities. This general principle does not preclude fleet commanders from using mobile support units, particularly oilers and tenders, for supporting other ships when feasible. The location and general mission of the shore activities in the United States supporting fleet units is prescribed by the

Secretary of the Navy and promulgated in the Basic Naval Establishment Plan. The detailed mission of these activities is prescribed by the management bureau, office, or systems command and is usually promulgated as a numbered instruction. Standards of support are determined by the Navy Department and are promulgated in the Navy Department Program Objectives, Naval Supply Systems Command Program Objectives, and other planning documents.

OPERATION OF THE INTEGRATED NAVY SUPPLY SYSTEM

The Navy Supply System is integrated with the Defense Logistics Agency (DLA) Supply System. Following sections describe the operation of the Navy Supply System, the operation of the DLA Supply System, and the operation of the integrated Navy Supply System, in providing material required by the Operating Forces. It should be realized that the Navy and DLA Supply Systems are much more complicated than the following descriptions indicate. The brief overview of the systems will assist you to understand the relationships of the various elements.

THE NAVY SUPPLY SYSTEM

The term "Navy Supply System" describes that system under the direction of the Commander, Naval Supply Systems Command. It consists of inventory managers and stock points which function to provide material to the Operating Forces of the Navy. The functions of inventory managers, including ICPs, were described earlier in this chapter. The operation of stock points (FISCs, INASs, and NSYs) is described in the NAVSUP P-485 in detail.

Inventory Control Points (ICPs)—Each ICP manages one or more types of material which are held in a distribution system composed of stock points. The ICPs provide the material required by the stock points, based on transaction reports submitted by the stock point. The ICPs stock management responsibilities to the supply system are summarized as follows:

- position material at various stock points;
- retain inventory control of material through an extensive stock reporting system;
- provide technical assistance and cataloging services to the supply system (and to its customers).

Navy Stock Points—The primary contact points of the operating force for material support are the FISCs. Other stock points such as INASs and NSYs are not usually associated with direct fleet support, but may be used when necessary. The material support functions of Navy stock points are summarized as follows:

- procure, receive, store, and issue material;
- invoice customers for material used;
- report issues of material to the cognizant ICP.

Operation of the Navy Supply System. The following illustration depicts the operation of the Navy Supply System from the receipt of a customer's requisition to the replenishment of stock. The items enumerated correspond to the numbered lines in figure 2-3:

1. *USS John Paul Jones* submits a requisition to FISC, San Diego, for a cognizance symbol 1H repair part.
2. After researching their records and determining that the item is not in stock, FISC, San Diego, refers the requisition to the proper inventory manager for cognizance symbol 1H material, SPCC, Mechanicsburg (an ICP).
3. SPCC, Mechanicsburg, after researching their master records and determining that the requested item is in stock at FISC, Oakland, refers the requisition to FISC, Oakland.
4. FISC, Oakland, issues the material to *USS John Paul Jones*.
5. FISC, Oakland, makes an issue transaction report to SPCC, Mechanicsburg.

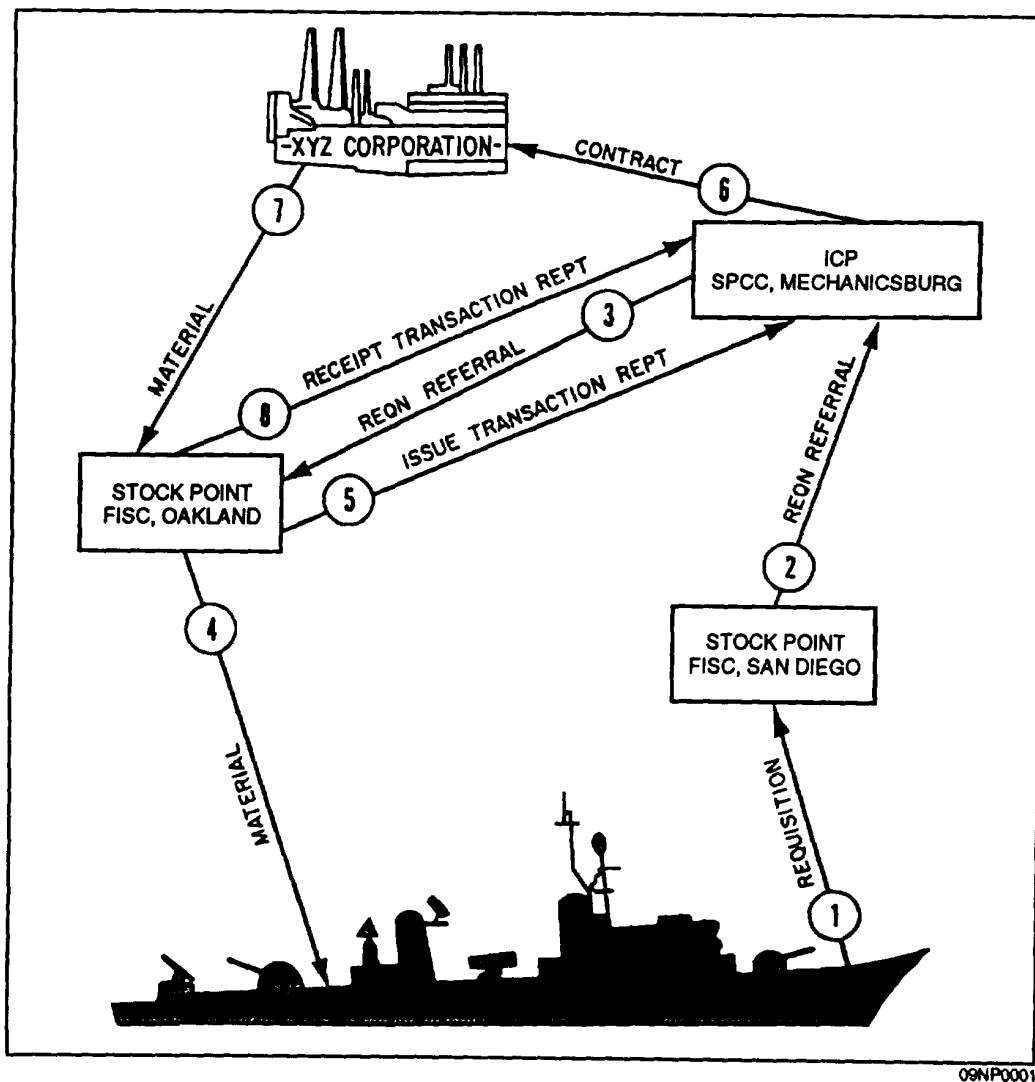


Figure 2-3.-Operation of the Navy Supply System.

6. SPCC, after applying the issue report to its master record, ascertains that FISC Oakland's stock of the item is below the required level and issues a contract to the XYZ Corporation to replenish FISC, Oakland.
7. The XYZ Corporation ships the material to FISC, Oakland.
8. FISC, Oakland, makes a receipt transaction report to SPCC, Mechanicsburg.

THE DEFENSE LOGISTICS AGENCY (DLA) SUPPLY SYSTEM

DLA is a supply support organization which is assigned management responsibility and control of items in common use by all military services. About 60% of the line items in the integrated Navy Supply System are managed by DLA. These items are identified by the number 9 preceding the alphabetic cognizance symbol, except for cognizance symbol 9Q material which is managed by the General Services Administration (GSA). Management of the DLA supply system is exercised through DLA headquarters at Cameron Station, Alexandria, Virginia. The role of DLA headquarters in the DLA supply system can be compared to the role of the Naval Supply Systems Command within the Navy Supply System.

DLA Supply Centers—The six DLA Supply Centers (DSCs) and the types of material for which they are responsible are:

- Defense Personnel Support Center (DPSC), Philadelphia, Pennsylvania—food items, medical supplies, and clothing;
- Defense Fuel Supply Center (DFSC), Washington, D.C.—bulk petroleum and bulk petroleum based chemicals;
- Defense Electronics Supply Center (DESC), Dayton, Ohio—electronic and electric equipment and repair parts;
- Defense Industrial Supply Center (DISC), Philadelphia, Pennsylvania—industrial-type items (e.g., bearings, wire rope, and sheet metal);
- Defense Construction Supply Center (DCSC), Columbus, Ohio—structural material and equipment, components, and repair parts;
- Defense General Supply Center (DGSC), Richmond, Virginia—furniture, food preparation equipment, recreation equipment,

packaged petroleum products, office supplies, and cleaning supplies.

Defense Supply Centers (DSCs) perform the same functions for the Defense Supply System as ICPs perform the for Navy Supply System except DFSC has no responsibility for inventory control.

DLA Material Distribution Activities—Material distribution functions within the Defense Supply System are performed by defense depots (DDs) and specialized support points (SSPs).

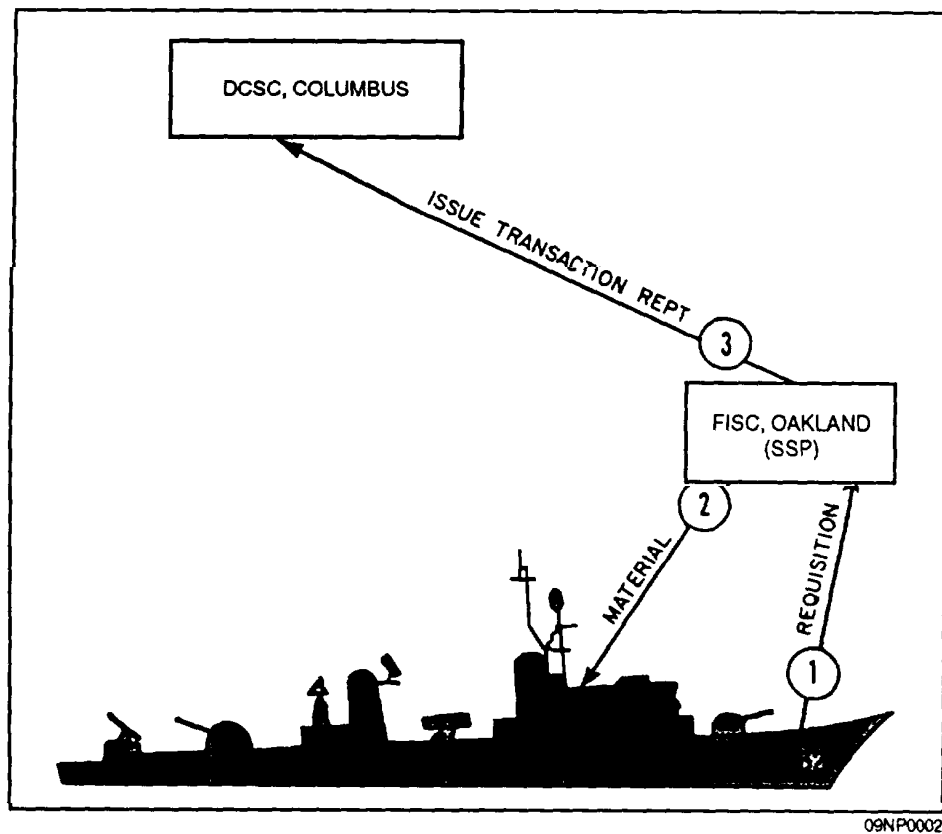
Defense Depot (DD)—A defense depot is a storage point for DLA material. Issue of material from a DD is centrally controlled by the cognizant DSC and is based on requisitions received and processed centrally by the DSC. DDs cannot accept direct requisitions and issues are made only when directed by the DSC.

Specialized Support Point (SSP)—An SSP is a military service managed stock point that is authorized to receive, store, and distribute a tailored range of DLA-owned materials for direct support of specified customers. These customers are generally, but not necessarily, of the same military service as the SSP. (Most of the SSPs are Navy stock points. Activities of the other military services requisition most of their DLA materials direct from the DSCs.) All the NSCs, as well as most other Navy stock points (FISC's, INASs, and NSYs) are SSPs for the specific DLA commodities listed for them. Unlike defense depots, SSPs are authorized to accept requisitions for stored DLA materials direct from customer activities, and to process such requisitions without prior clearance of the cognizant DSC(s). SSPs are required to report all DLA material receipt and issue transactions to the cognizant DSC(s).

Operation of the DLA Supply System—figure 2-4 depicts the operation of the DLA supply system in filling a requisition submitted by an afloat customer:

1. USS *John Paul Jones* submits a requisition for cognizance symbol 9C material to FISC, Oakland, an SSP.
2. FISC, Oakland, issues the material from DLA stocks.
3. FISC, Oakland, reports the issue transaction to DCSC.

In the foregoing example, it should be understood that although requisitioned from and supplied by a Navy stock point, the material issued was owned and managed by a DSC.



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Figure 2-4.—The Defense Logistics Agency Supply System.

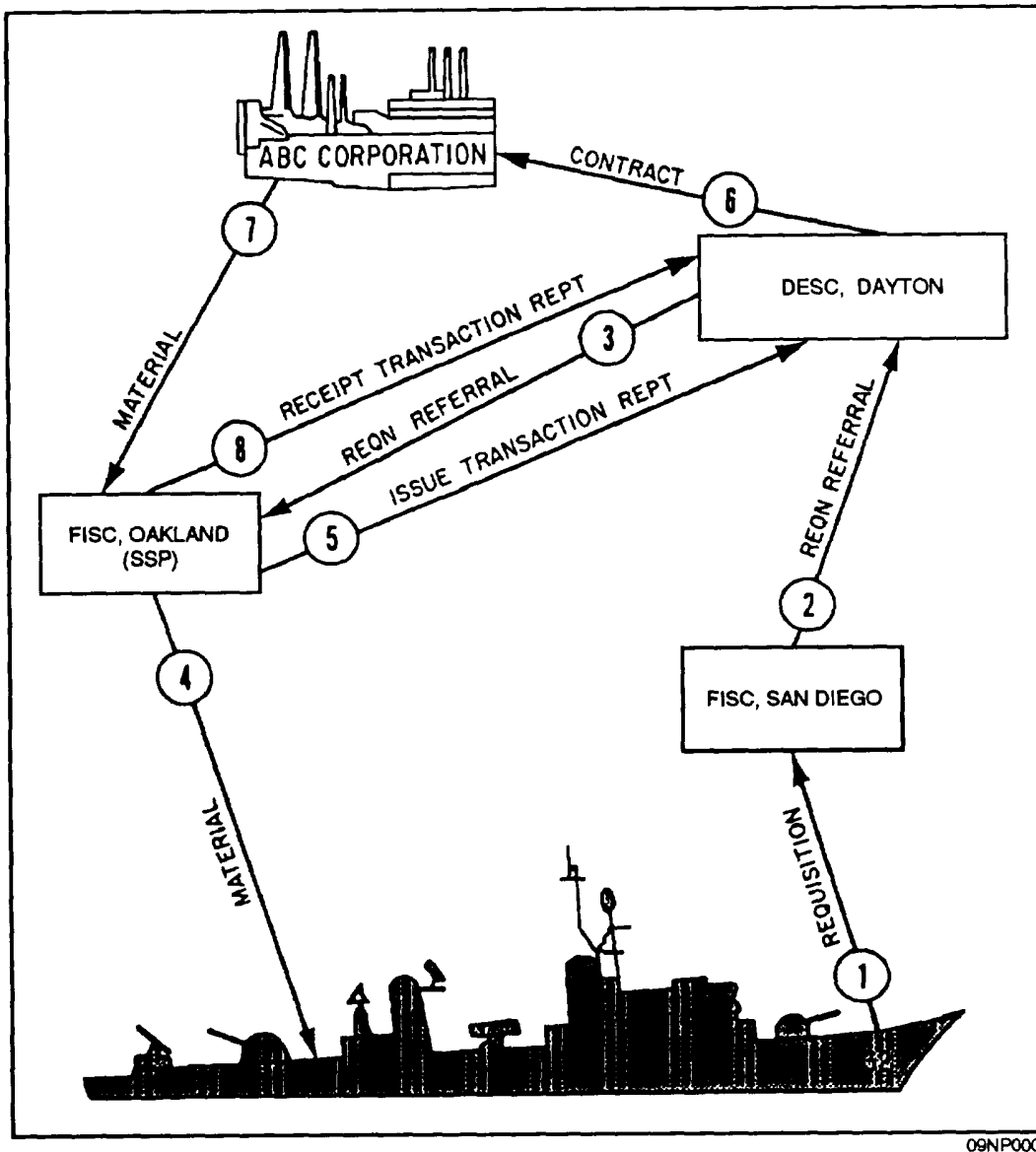
Navy Retail Stock Point—The DLA materials that are stored and issued by Navy stock points designated as SSPs are DLA owned managed as “wholesale” stock. All other DLA materials held by Navy stock points are Navy owned. They were purchased with Defense Business Operating Funds money from the cognizant DSC(s). These DLA materials are managed as “retail” stock and the holding activities are known as Navy retail stock points. The management function retail level for Navy-owned DLA material is performed by Navy retail offices (NROs). The NROs manage material by financial means only i.e., they apportion Navy Stock Fund money to the Navy retail stock points for use in purchasing DLA material. The Navy Ship’s Parts Control center (SPCC), Code 0133, is the principal NRO.

THE INTEGRATED NAVY SUPPLY SYSTEM

Figure 2-5 depicts the operation of the integrated Navy Supply System. The following items correspond to the numbered lines in the illustration:

1. USS *John Paul Jones* requisitions cognizance symbol 9N material from FISC, San Diego.

2. FISC, San Diego, a Navy retail stock point, after screening its stocks and determining that the requested material is not carried, refers the requisition to DESC, Dayton, the cognizant inventory manager.
3. DESC, Dayton, after researching its master records and determining that the material is available at FISC, Oakland, (a specialized support point), refers the requisition to FISC, Oakland.
4. FISC, Oakland, issues the material to USS *John Paul Jones*.
5. FISC, Oakland, makes an issue transaction report to DESC, Dayton.
6. DESC, Dayton, after applying the issue report to its master record, ascertains that stock of the item at FISC, Oakland, is below the required level and issues a contract to the ABC Corporation for additional stocks of the item.
7. The ABC Corporation ships the material to FISC, Oakland.
8. FISC, Oakland, makes a receipt transaction report to DESC, Dayton.



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Figure 2-5.—The Integrated Navy Supply System.

THE GENERAL SERVICES ADMINISTRATION (GSA)

The General Services Administration (GSA) provides common use items, such as paint, paper, handtools, and cleaning gear to the Navy. Navy

interest items are listed in the ML-N as cognizance symbol 9Q and are available at Navy stock points. Information concerning identification and procurement of GSA material is contained in the NAVSUP P-485.

